

# **Brownfields Cleanup Revolving Loan Fund Pilot**

## ***Boston, MA***

Outreach and Special Projects Staff (5101)

Quick Reference Fact Sheet

EPA's Brownfields Economic Redevelopment Initiative is designed to empower states, communities, and other stakeholders in economic redevelopment to work together in a timely manner to prevent, assess, safely clean up, and sustainably reuse brownfields. A brownfield is a site, or portion thereof, that has actual or perceived contamination and an active potential for redevelopment or reuse. EPA is funding: assessment demonstration pilot programs (each funded up to \$200,000 over two years), to assess brownfields sites and to test cleanup and redevelopment models; job training pilot programs (each funded up to \$200,000 over two years), to provide training for residents of communities affected by brownfields to facilitate cleanup of brownfields sites and prepare trainees for future employment in the environmental field; and, cleanup revolving loan fund programs (each funded up to \$500,000 over five years) to capitalize loan funds to make loans for the environmental cleanup of brownfields. These pilot programs are intended to provide EPA, states, tribes, municipalities, and communities with useful information and strategies as they continue to seek new methods to promote a unified approach to site assessment, environmental cleanup, and redevelopment.

### BACKGROUND

As a large urban city with an industrial history, Boston is known as the economic hub of New England. However, the city also has its fair share of unemployment, poverty, abandoned land, and environmental problems. As industries have been phased out of the city and moved to the suburban greenfields, parts of Boston have been left littered with abandoned and vacant properties. These former industrial properties are often not redeveloped due to fears of real or perceived environmental contamination. One such area that will be the focus of the Boston BCRLF is the city's Enhanced Enterprise Community (EEC), a 5.8 square mile area that runs north to south in the center of the city. The poverty rate in the EEC is 36 percent and the unemployment rate is 16 percent. More than 80 percent of the city's minority residents live in the EEC.

### BCRLF OBJECTIVES

Initially, the Pilot will target loans for five community-selected priority sites in the EEC that range in size from 25,000 square feet to nine acres of land. The BCRLF Pilot will be used in collaboration with key urban resources offered by the EEC to cleanup and redevelop property, to encourage sustainable

### PILOT SNAPSHOT



Boston, Massachusetts

Date of Award:  
September 1997

Amount: \$350,000

BCRLF Target Area :  
Boston's federally-  
designated Enhanced  
Enterprise Community.

#### Contacts:

City of Boston  
(617) 722-4300

Regional Brownfields Team  
U.S. EPA - Region 1  
(617) 918-1209

Visit the EPA Region 1 Brownfields web site at:  
<http://www.epa.gov/region01/remed/brnflld/>

For further information, including specific Pilot contacts, additional Pilot information, brownfields news and events, and publications and links, visit the EPA Brownfields web site at:  
<http://www.epa.gov/brownfields/>

development, and to increase the city's tax base and create jobs.

## FUNDSTRUCTUREANDOPERATIONS

Two city entities, the Economic Development and Industrial Corporation (EDIC) and the Environmental Department, will partner as the Lead Agency to ensure that the loans and cleanups are conducted in compliance with the terms of the cooperative agreement. The city's Public Facilities Department will serve as the Site Manager to oversee cleanups at project sites. The Boston Local Development Corporation (BLDC), a non-profit corporation, will act as the Fund Manager and implement the loan fund.

Threshold criteria for borrower eligibility include: completed site assessment and cleanup alternative evaluation; demonstrated evidence of financial need, collateral, and equity; demonstrated good standing on city and state taxes (i.e., not in delinquency); property is located in or near the EEC. In addition, sites that demonstrate an overall community benefit (e.g., through job creation or retention, economic/environmental revitalization) will be given a preference for the BCRLF loans. Loan amounts will be determined on a case-by-case basis, but will range from approximately \$5,000 to \$50,000. The city has a preference to provide smaller loans so that the BCRLF will have a greater impact in the targeted area. All loans will be secured by a security agreement covering all assets of the borrower (e.g., perfected mortgages, personal guarantees).

## LEVERAGINGOTHERRESOURCES

The BCRLF will be used in conjunction with other funds to produce maximum community empowerment and revitalization. Within the EEC, up to \$44 million is available in loans, grants, job training, and technical assistance for both small and large businesses.

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*Use of BCRLF Pilot funds must be in accordance with CERCLA, and all CERCLA restrictions on use of funding also apply to BCRLF funds.*

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